

JENNIFER M. GRANHOLM

DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH

STANLEY "SKIP" PRUSS DIRECTOR

Senate Bill 5 (As Introduced)

Topic: Unemployment Insurance—Consolidation of Accounts

Sponsor: Senator Jansen

Co-sponsors: None

Committee: Senate Commerce and Tourism

Date Introduced: January 14, 2009

Date of Summary: February 10, 2009

The bill adds a new Section 22C to the Michigan Employment Security Act. The Unemployment Agency would be prohibited from consolidating or combining the experience and unemployment accounts of separate employer entities in many instances. A transfer of experience or combination of the experience of two or more employer entities into a single account would be permitted if there has been a transfer of all or part of a trade or business for the sole or primary purpose of reducing reimbursement payments and in other specified circumstances.

The Unemployment Agency is prohibited from consolidating or combining experience into a single account while a request for a redermination or an appeal is pending. If the agency's determination is upheld, the consolidation or combination of experience would be retroactive. If the agency's consolidation or combination determination is overturned by the Board of Review or a circuit court, court costs and reasonable attorney fees would be awarded to the prevailing party.